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Legal aid unit fights for survival

Merger expected to replace criticized office

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For more than half a century, the Passaic County Legal Aid Society has fought on behalf of the county's poor, in disputes ranging from housing to child custody to public assistance.

But for the last several years it has often done that job poorly, according to state and federal officials. And barring a long-shot legal victory, as of Jan. 1 the autonomous county office will be replaced by a new agency whose administrators will report to a director based in Jersey City.

Federal legal aid officials drew up the new service area uniting Bergen, Hudson, and Passaic counties in June, insisting the change will trim administrative costs without compromising services.

The Passaic County office and its supporters see it differently. They say top decision-makers will be too far from the individuals and non-profit agencies that rely on the office for help. And in a federal lawsuit, the agency's leadership argues that a merger would jeopardize its educational programs and minority hiring efforts, and that its imposition amounts to bureaucratic bullying by state and federal officials.

Those same officials have repeatedly accused the Passaic County office of mismanagement.

Reviews since 1995 have found evidence of shoddy accounting, poor morale, excessive staff turnover, and double counting of cases - and alleged that the office made limited efforts to rectify the problems. At times in recent years, the office has received its state and federal funding on a month-to-month basis, which one federal official called "one step short of defunding."

Leaders of the county agency, which employs 14 attorneys, five paralegals, and nine support staff at offices in Paterson and Wanaque, say officials have "greatly exaggerated" the office's problems, which they call mostly bureaucratic.

"Just let them argue that their [merger] plan makes sense," Maxim Thorne, the office's deputy director, said of the higher-level legal aid officials. "They could never replicate our services or equal the accumulated value of this office."

Over the summer, the office reapplied for a federal grant to serve Passaic County in the coming year. But Legal Services Corp. in Washington rejected the application, saying it failed to address the service needs of the entire tri-county area - a requirement under the new rules.

By mid-December, the federal body is expected to award Passaic County's federal funding - about \$385,000 this year - to Northeast New Jersey Legal Services, the tri-county agency. State funds of about \$1.6 million could follow, although Thorne noted the state appropriated \$927,000 of that amount through June 2003.

The state Treasury Department's legal services representative did not return repeated calls for comment.

Last week, a U.S. District Court judge refused to order an extension of the existing office's federal funding as it fights the merger plan. Thorne said he may appeal.

Timothy K. Madden, director of Hudson County Legal Services and soon-to-be head of the tri-county agency, said he will open a Paterson office by Jan. 1, giving priority in hiring to staff laid off from the current office.

"I'm confident that Passaic County's low-income residents will be served better than what they get now," Madden said, adding he had not yet settled on a location.

Anna Navatta, who controls a \$1.4 million budget as head of Bergen County Legal Services, will become deputy director of the tri- county office. She said the Bergen office will otherwise remain intact.

"We actually hope to expand our services as a result of the merger," she said.

By contrast, under the consolidation Executive Director John Atlas and Thorne will likely lose their jobs, which last year brought them \$131,319 and \$114,031, respectively.

"This is not about job security for me and Maxim," Atlas said. "Our sole motivation is to save what I think is an essential service and innovative program."

Passaic County Legal Aid works on behalf of about 4,000 individuals each year, and provides low-fee legal help for about 20 non-profit and faith-based groups. Its many supporters argue that the office's expansion of community development work - including helping non-profits incorporate or defend themselves in lawsuits - sets it apart from other agencies.

Rep. William Pascrell Jr., D-Paterson, who has sought to mediate the dispute, wrote of his concerns, "We are not aware of any stakeholder who was consulted on this sudden proposal, no less any that support it."

The agency also has a lauded history of activism. In response to its lawsuit in 1999, a judge ordered the Paterson Housing Authority to correct a defective relocation plan for residents at the Christopher Columbus Housing Development and remove all squatters and drug dealers.

Thorne also argued successfully before the state Supreme Court that Head Start and similar preschool programs should receive full state funding. The office continues to represent Head Start in low-income districts.

Community leaders say they worry that the center's specialized programs could be lost under a merger and that a new location will create confusion for clients. Madden said his focus will be individual cases, and that "any resources we can spare to do community economic development, we will."

Congress created the Legal Services Corporation (LSC) in 1974 to improve low-income residents' access to the nation's courts. In 1998, two years after Washington cut legal-aid funding by a third or \$122 million - state programs started facing more rigorous requirements for grant renewals, including achieving "optimal configuration of service areas."

Earlier this year, Legal Services of New Jersey proposed halving the number of its state service areas to seven, with Passaic County's program left intact. But the Legal Services Corp. in Washington overruled that part of the plan.

In submitting the state plan, Melville D. Miller Jr., president of Legal Services of New Jersey, argued that the Passaic County office's alleged problems made it an undesirable merger partner.

In a June letter to Atlas, LSC President John N. Erlenborn wrote that his decision was based in part on "continuing problems" at the Passaic County office.

A Legal Services Corp. audit in 1999 found 45 duplicate case files in a random sample of 400 cases. Thorne acknowledged that his staff's lack of familiarity with a new computer system led to "some" duplicate files, but said database training and increased oversight by supervisors addressed the problem.

Atlas said reviewers also overstated staff turnover, arguing that many of the cited employees were short-term workers. Others left, for instance, to join private practice or after failing to pass the state bar, he said.

"We'll be the first to admit we make mistakes, but most of those are bureaucratic. They don't involve delivery of services," Atlas said. He said state and federal officials have failed to afford the agency a proper hearing.

Legal Services Corp. spokesman Eric Kleiman contended that Atlas and his board "have had ample opportunity to make their case to us."

In its suit, the Passaic County office asserts that the federal agency's executive vice president, Randi Youells, sought the merger in large part because of her personal history with the office, which refused to hire her as a consultant in 1997. Kleiman called that charge "completely spurious."